

110TH CONGRESS  
1ST SESSION

# H. R. 2868

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IN THE SENATE OF THE UNITED STATES

OCTOBER 24, 2007

Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

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## AN ACT

To eliminate the exemption from State regulation for certain  
securities designated by national securities exchanges.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SCOPE OF EXEMPTION FROM STATE SECURI-**  
2 **TIES REGULATION.**

3 Section 18(b)(1) of the Securities Act of 1933 (15  
4 U.S.C. 77r(b)(1)) is amended—

5 (1) in subparagraph (A)—

6 (A) by striking “or the American Stock  
7 Exchange, or listed, or authorized for listing, on  
8 the National Market System of the Nasdaq  
9 Stock Market (or any successor to such enti-  
10 ties)” and inserting “, the American Stock Ex-  
11 change, or the Nasdaq Stock Market (or any  
12 successor to such entities)”; and

13 (B) by inserting before the semicolon the  
14 following: “, except that a security listed, or au-  
15 thorized for listing, on the New York Stock Ex-  
16 change, the American Stock Exchange, or the  
17 Nasdaq Stock Market (or any successor to such  
18 entities) shall not be a covered security if the  
19 exchange adopts listing standards pursuant to  
20 section 19(b) of the Securities Exchange Act of  
21 1934 (15 U.S.C. 78s(b)) that designates a tier  
22 or segment of such securities as securities that  
23 are not covered securities for purposes of this  
24 section and such security is listed, or authorized  
25 for listing, on such tier or segment”; and

1 (2) in subparagraph (B), by inserting “covered”  
2 after “applicable to”.

Passed the House of Representatives October 23,  
2007.

Attest: LORRAINE C. MILLER,  
*Clerk.*